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TELEGRAM

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11 ACTION EA 15

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P 220930Z DEC 67 FM AMEMBASSY SAIGON TO SECSTATE WASHDC PRIORITY 2963 INFO AMCONSUL DANANG PRIORITY 1476 CINCPAC AMEMBASSY BRUSSELS 88

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SUBJECT: STRIKES AND STRIKE THREATS

1. FOUR HUNDRED LOCAL EMPLOYEES OF PAN AMERICAN WORLD AIRWAYS WALKED OFF THE JOB ON DECEMBER 21 TO ENFORCE THEIR DEMAND FOR 30 PERCENT INCREASE IN WAGES. NO RPT NO DIRECT NEGOTIATIONS HAVE TAKEN PLACE BETWEEN UNION AND COMPANY, AND COMMUNICATION BETWEEN THE TWO SIDES HAS BEEN RESTRICTED TO LETTERS. UNION SPOKESMEN MAINTAIN IT IS UP TO COMPANY TO ASK FOR MEETING WITH THE UNION AND THAT SUCH MEETING MUST TAKE PLACE EITHER AT UNION HEADQUARTERS OR AT THE OFFICE OF THE GIA DINH PROVINCE LABOR INSPECTOR IN THE PRESENCE OF ALL MEMBERS OF THE UNION.

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THUS FAR, MANAGEMENT HAS NOT ASKED FOR NEGOTIATIONS BUT IN AN ADVERTISEMENT IN LOCAL PAPER THE PANAM LOCAL MANAGER IS QUOTED AS SAYING HE "HOPED THAT EMPLOYEES WOULD RETURN TO WORK AND NEGOTIATE THROUGH THE NORMAL CHANNELS WHICH ARE ALWAYS OPEN." UNION SAID THE COMPANY PLANS TO IMPORT FOREIGN NATIONALS TO CONTINUE SERVICE AND THAT IF THIS HAPPENS THERE WILL BE A GENERAL STRIKE IN SAIGON. UNION SPOKESMEN ALSO SAY STRIKE WILL CONTINUE UNTIL THEIR DEMANDS ARE MET.

2. SEVEN HUNDRED LOCAL EMPLOYEES OF AIR AMERICA IN SAIGON, DANANG AND NHA TRANG STRUCK ON DECEMBER 22. IN THIS CASE, THERE HAVE BEEN SEVERAL MEETINGS BETWEEN UNION OFFICERS AND MANAGEMENT, BUT NO AGREEMENT COULD BE REACHED BETWEEN THE TWO SIDES. THE UNION IS DEMANDING A 40 PERCENT WAGE INCREASE, A NIGHT SHIFT DIFFERENTIAL, AND EXTRA PAY FOR OFFICE EMPLOYEES REQUIRED TO WORK ON THE WEEK- ENDS. THEY ALSO ARE ASKING FOR CERTAIN OTHER MINOR FRINGE BENEFITS. THE UNION CHARGES THAT THE COMPANY HAS DISMISSED SEVEN WORKERS WITHOUT CAUSE, AND HAS THREATENED TO DISMISS ALL STRIKING EMPLOYEES. SO FAR THE STRIKE HAS HAD LITTLE EFFECT ON AIR AMERICA FLIGHT OPERATIONS, BUT SITUATION WILL CHANGE DRASTICALLY TOMORROW IF THIRD COUNTRY NATIONALS STRIKE IN SUPPORT OF THEIR

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OWN DEMANDS FOR AN 80 PERCENT WAGE INCREASE. EVEN TODAY MANY TCN DID NOT SHOW UP TO WORK.

3. REVERSING PREVIOUS POSITION (REFTEL). CVT ELECTRICAL WORKERS UNION ONCE AGAIN IS THREATENING TO STRIKE AGAINST COMPANGNIA DES EAUS ET D'ELECTRICITE ON DECEMBER 25 OR 26. ACCORDING TO THE UNION THEY ARE NOW DISSATISFIED WITH LETTER WHICH THEY HAVE RECEIVED FROM MINISTER OF PUBLIC WORKS AND FEAR THEY MAY NOT GET ADDITIONAL BENEFITS THEY HAVE BEEN PROMISED. DECISION OF THE UNION MAY BE RELATED TO FACT THAT NEGOTIATIONS BETWEEN THE GVN AND THE CEE ARE, ACCORDING TO CEE SPOKESMAN, ONCE AGAIN IN DIFFICULTY.

4. COMMENT: SETTLEMENT OF AIR AMERICA AND PAN AMERICAN STRIKES IS COMPLICATED BY TUG OF WAR WITHIN GVN OVER WHETHER LABOR MINISTRY INSPECTORS CAN CONVOKE MEETINGS AT TAN SON NHUT,

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~~WHERE VNAF SECURITY OFFICIALS HAVE RECENTLY EXCLUDED REPRESENTATIVES OF LABOR MINISTRY. KEY AT MOMENT IS TO ESTABLISH SOME KIND OF COMMUNICATIONS BETWEEN PANAM AND UNION, AND WE ARE TRYING TO HELP ON THAT. UNION HAD ACCEPTED THE RUMOR THAT PANAM~~

PAGE 4 RUMJIR 14098 ~~C O N F I D E N T I A L~~
WAS IMPORTING FILIPPINOS AND OTHER TO TAKE STRIKERS PLACE,
AND WE HAVE BEEN ABLE TO REASSURE THEM THIS IS NOT TRUE. USEC
LABOR OFFICER: PLEASE PASS ABOVE INFO TO TRAN QUOC BUU,
ATTENDING CISC MEETING. BUNKER

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